Unions at the Crossroads: Strategic Membership, Financial and Political Perspectives
Marick Masters

The decline of unionization in the United States and possible responses from unions and government have garnered considerable attention from industrial relations (IR) scholars. Marick Masters contributes to the burgeoning literature on union decline with a comprehensive examination of the present state of organized labor in the U.S. In contrast to much of this literature, he goes beyond trends in union membership to assess the human, financial, and political capital of unions. He does so focusing primarily on the institutional health of 28 major national unions in the U.S. In 1993, these unions comprised approximately 79 and 92 percent of private and public sector union membership, respectively (p. 12) and, thus, are obviously important to the future of the U.S. labor movement.

The author's key premise is that declining union membership, albeit bad news for organized labor, does not mean unions are weak institutionally. The fundamental assumptions underlying this assessment are: "(1) that unions' resources affect their capacities to undertake a variety of activities, including the pursuit of new strategies and tactics, and (2) unions have multidimensional sources of institutional strength, the status of which provides insight into how well they manage their organizations, adapt to change, and will be able to remain viable economic and political players in the future" (p. 10). Accordingly, much of the book examines the multiple forms of capital available to unions. This required collecting and analyzing data from numerous sources, some of which this reviewer has not seen presented elsewhere. The data sources and measures are fully described in the book's introductory chapter.

According to the strategic framework presented in the first chapter, environmental factors influence the human, financial, and political capital of unions, which affect basic union strategies, and which in turn are ultimately linked to various union outcomes (e.g., organizing successes, bargaining contracts, and political decisions). The model draws on other strategic frameworks appearing in the IR literature (e.g., Dunlop, 1958; Kochan, et al., 1986; Lawler, 1990) and, thus, will seem quite familiar to students of IR. Masters does a good job explaining the various components of the model, especially the broad range of union activities and why they are important to the labor movement. He also effectively highlights the important role of union resources to union strategies and provides an overview of prior research examining the human, financial, and political capital of unions. Though this research is sketchy, it suggests that union financial and political capital may, at least in the short run, be independent of unions' human capital, thus providing justification for the present study.

The assessment of union capital begins in Chapter 2 with a look at union density and membership trends. Examination of such trends across various industrial, occupational, and demographic classifications, and countries is interesting but unnecessary given the attention this subject has received in the IR literature, and in light of the Chapter 3 presentation of membership trends for the 28 major unions that are the primary focus of the book.

The public-private sector comparisons presented in Chapter 3 are especially enlightening. Among other things, they show that the relative success of the 28 major unions can be largely attributed to the growth of public sector unionization. Although Masters may be correct in claiming that public employee unions offer little hope to overall labor growth, "unless organizational jurisdictions are changed" (p. 70), important lessons can certainly be learned from the success of these unions, many of which represent white-collar, service-type workers — the very work-
ers whom private sector unions must organize if they are to reverse current trends in their memberships.

Chapters 4 through 6 provide an inventory of the financial resources of the 28 unions for the 1979-1993 period. A number of financial measures are examined, including aggregate assets and wealth, total income, operating income, liquidity ratios, etc. Interpretation of these findings depends in large part on what one chooses to emphasize. On the one hand, many of the financial measures indicate that overall unions' financial situations were better at the end of the period than at the beginning. Yet many of the same measures exhibited a bell-shaped trend during the 1979-1993 period. For this reviewer, these trends provide evidence of a much bleaker future for unions than the start-of-period/end-of-period comparisons. Consequently, statements by the author such as the "28 major unions maintained their financial capital base during a period of sizable membership losses" (p. 84), while technically true, ring somewhat hollow.

As was true of union membership, the financial data show substantial differences both within and between unions in the private and public sectors. For instance, much of the wealth possessed by private sector unions is highly concentrated in a few unions, suggesting that many private sector unions may face major financial challenges. Also, although private sector unions as a group are better positioned financially than their public sector counterparts, public sector unions were more likely to have experienced gains during the 1979-1993 period.

The chapters examining union finances are notable for their detailed description. Unfortunately, the general lack of analysis and discussion of practical implications make it easy for the reader to become overwhelmed by the volume of data and lose sight of specific points being made by the author. More discussion and analysis could have eased the reader's progress through these dense chapters.

Chapter 7 examines the political capital of unions and how it relates to union political activities. Masters provides an excellent discussion of the importance of political activities to the organizing and bargaining capabilities of unions. A review of the political capital raised by the 28 unions from 1980 to 1994 reveals that trends in PAC receipts mirror those for union finances, increasing until the mid- to late-1980s and then declining. The fact that unions possessed more PAC money in 1994 than 1980 does not obviate the downward direction of present trends. Keeping with what seems to be an emerging theme of the book, the data also show very different outcomes for public and private sector unions. Overall private sector unions have more PAC money than public sector unions, but again trends favor public sector unions.

In Chapter 8, union profiles are created by categorizing unions based on how well they fared across various membership, financial, and political measures. The profiles added little to the book that could not be gleaned from a careful examination of previous chapters. Furthermore, it was never clear what practical implications are associated with being at the top or bottom of a particular resource dimension. Case examples of how a top 5 (or bottom 5) performer fared in a relevant crisis might have provided validity to the classification scheme.

Chapters 9, 10, and 11 nicely complement one another and were the most interesting and thought provoking of the book. Chapter 9 looks at how unions spend money (i.e., bargaining, politics, and organizing) to get some idea of the strategic approach adopted by unions, and "to assess the financial implications of unions' placing more emphasis on organizing and political action" (p. 144). The estimates highlight the modest amounts unions currently devote to organizing and politics.

Chapter 10 provides estimates of the additional resources unions might be able to apply to organizing and political activities, if current budgets are reallocated and the rank and file mobi-